

**MINUTES OF THE DELANO WATER, LIGHT AND POWER COMMISSION
CITY OF DELANO, COUNTY OF WRIGHT, STATE OF MINNESOTA
WITH ALL ACCOUNTS BEING AUDITED BY SAID COMMISSION
SPECIAL MEETING
JULY 7, 2009**

1. CALL TO ORDER

The meeting was called to order by Chairman Larry Bartels.

2. ROLL CALL

Commission Members Present: Larry Bartels, Bob Hutter, Sam Nelson, Randy Keranen, and Jonathan Ness. Also Present: Hal Becker, General Manager and Aimee Dreger, Recorder and Marilyn Running, attendee.

3. AGENDA

- a. Motion to Approve Agenda by Jon Ness and second by Randy Keranen with a change to switch the order of the 2 items on the agenda.

Motion carried.

4. BUSINESS

A. DISCUSS DELANO MUNICIPAL UTILITIES PERSONNEL ISSUES.

The commissioners discussed the need for a General Manager contract and/or personnel policy regarding termination of employment whether it would be retirement, voluntary or involuntary. The commissioners concern is the time frame for training and preparing a new General Manager. Other ideas discussed were an annual contract to be reviewed and signed yearly, a personnel policy in place to ensure proper training for successor, and an incentive for the current General Manager to sign a contract. Hal will compose a rough draft contract and a copy of the city administrators contract as a reference for discussion at the next meeting. Copies of the utilities Chart of Succession and Emergency Response Plan will also be provided for further discussion.

B. DISCUSS TIERED WATER RATE SCHEDULE.

The Minnesota Statute 103G.291 for Water Tiered Rate requirements was amended 2008 to include a requirement for public water suppliers serving more than 1,000 people to adopt a water rate structure that encourages conservation. The statute gives the utilities of our size until January 1, 2013 to put a tiered water rate system into place. The purpose of this statute is to encourage people to conserve water by protecting the rates for basic water usage and putting more of a financial burden on those who use excess water. The DNR-Department of Natural Resources is responsible for making sure the tiered rates are put into place by the set date. We have started the process by gathering data from surrounding cities that are already on the tiered billing system or who are also in their planning process. One suggestion would be to prepare our customers by implementing a tiered rate and gradually increasing the rates over the next three years to comply with the statute by the mandated date of January 1, 2013. The staff will gather additional data to present to the commissioners at a future meeting date.

5. ADJOURNMENT

Larry Bartels, Chairman

Sam Nelson, Secretary

